Maharashtra State Innovative Start-up Policy-2018 च्या मसुद्यास मान्यता देण्याबाबत.

महाराष्ट्र शासन
कौशल्य विकास व उद्योजकता विभाग,
शासन निर्णय क्रमांक : कौविउ-२०१७/प्र.क्र.२४३/अभियान-१,
२ रा मजला, मादाम कामा मार्ग, हुतात्मा राजगुरु चौक,
मंत्रालय, मुंबई-४०० ०३२.
दिनांक : ०५ फेब्रुवारी, २०१८.

प्रस्तावना :

महाराष्ट्र हे भारतातील व्यावसायिक, आर्थिक आणि औद्योगिक केंद्र आहे. मुंबई ही भारताची आर्थिक राजधानी असून येथे कॉर्पोरेट व वित्तीय संस्था मोठ्या प्रमाणात आहेत. तसेच पुणे देशातील अग्रगण्य शिक्षण आणि संशोधनाचे एक प्रमुख केंद्र आहे. राज्याच्या औद्योगिक तसेच आर्थिक विकासास चालना देण्यासाठी आणि देशातील बेरोजगाराच्या समस्येवर उपाययोजना करण्यासाठी नाविन्यपूर्ण संकल्पांवर आधारीत उद्योगांना प्रोत्साहन देणे गरजेचे आहे. यास्तव, राज्यात Maharashtra State Innovative Start-up Policy 2018 राबविण्याची बाब शासनाच्या विचाराधीन होती.

शासन निर्णय :

स्टार्ट-अप धोरणाच्या माध्यमातून राज्याच्या आर्थिक प्रगतीमध्ये लक्षणीय योगदान देण्यासाठी समाजातील सर्व घटकांसाठी रोजगाराच्या संधी निर्माण करणे, तसेच नियामक आराखडा तयार करुन Start-up Ecosystem ना चालना देण्यासाठी सोबतच्या परिशिष्ट-अ मधील **"Maharashtra State Innovative Start-up Policy 2018"** च्या मसुद्यास शासन मान्यता देण्यात येत आहे.

२. महाराष्ट्र राज्य नाविन्यता सोसायटी (Maharashtra State Innovation Society-MSInS) यांनी राज्यात Maharashtra State Innovative Start-up Policy 2018 ची अंमलबजावणी करण्याकरिता पुढील आवश्यक ती कार्यवाही तात्काळ करावी.

३. सदर शासन निर्णय महाराष्ट्र शासनाच्या www.maharashtra.gov.in या संकेतस्थळावर उपलब्ध करण्यात आला असून त्याचा संकेताक २०१८०२०७१२२५००६३०३ असा आहे. हा आदेश डिजिटल स्वाक्षरीने साक्षांकित करून काढण्यात येत आहे.

महाराष्ट्राचे राज्यपाल यांच्या आदेशानुसार व नावाने.

S.G. Patil

Digitally signed by S.G. Patil
DN: c=IN, o=Government Of Maharashtra, ou=SDED, postalCode=400032, st=Maharashtra, 2.5.4.20=f64f9296da4ba15d02d3ad3826a21a74ed080355ac04eef5617c3b4f08af47ae, cn=S.G. Patil
Date: 2018.02.07 12:31:45 +05'30'

(सं.गि.पाटील)
उप सचिव, महाराष्ट्र शासन

प्रत,

१. मा.राज्यपालांचे सचिव, राजभवन, मलबार हिल, मुंबई,
२. मा.मुख्यमंत्री यांचे प्रधान सचिव, मंत्रालय, मुंबई,

३. मा.मंत्री, कौशल्य विकास व उद्योजकता यांचे खाजगी सचिव, मंत्रालय, मुंबई,
४. मा.राज्यमंत्री, कौशल्य विकास व उद्योजकता यांचे खाजगी सचिव, मंत्रालय, मुंबई,
५. मा.विरोधी पक्षनेता, विधानपरिषद/विधानसभा यांचे खाजगी सचिव, महाराष्ट्र विधानमंडळ सचिवालय, मुंबई,
६. सर्व विधानपरिषद/विधानसभा सदस्य, महाराष्ट्र विधानमंडळ, मुंबई,
७. मा.मुख्य सचिव, महाराष्ट्र शासन, मंत्रालय, मुंबई,
८. डॉ.रघुनाथ माशेलकर, वरिष्ठ शास्त्रज्ञ, CSIR, नॅशनल केमिकल लॅबोरेटरी, पाषाण रोड, पुणे-४११००८,
९. श्री.रतन टाटा, अध्यक्ष, टाटा ट्रस्ट, मुंबई,
१०. श्रीमती किरण मुजुमदार-शॉ, अध्यक्ष तथा व्यवस्थापकीय संचालक, बायोकॉन लिमिटेड, बंगळुरू, कर्नाटक,
११. प्रधान सचिव/सचिव, विज्ञान व तंत्रज्ञान विभाग, भारत सरकार,
१२. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, वित्त विभाग, मंत्रालय, मुंबई,
१३. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, नियोजन विभाग, मंत्रालय, मुंबई,
१४. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, कृषी विभाग, मंत्रालय, मुंबई,
१५. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, उद्योग विभाग, मंत्रालय, मुंबई,
१६. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, ग्रामिण विकास विभाग, मंत्रालय, मुंबई,
१७. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, नगर विकास विभाग, मंत्रालय, मुंबई,
१८. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, सार्वजनिक आरोग्य विभाग, मंत्रालय, मुंबई,
१९. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, उच्च व तंत्र शिक्षण विभाग, मंत्रालय, मुंबई,
२०. अतिरिक्त मुख्य सचिव/प्रधान सचिव/सचिव, माहिती तंत्रज्ञान संचालनालय, मंत्रालय, मुंबई,
२१. सचिव, कौशल्य विकास व उद्योजकता विभाग, मंत्रालय, मुंबई,
२२. आयुक्त, कौशल्य विकास, रोजगार व उद्योजकता संचालनालय, कोकण भवन, सी.बी.डी. बेलापूर, नवी मुंबई,
२३. सदस्य सचिव, राजीव गांधी सायन्स ॲण्ड टेक्नॉलॉजी कमिशन, मुंबई,
२४. कुलगुरु, मुंबई विद्यापीठ, मुंबई,
२५. कुलगुरु, डॉ.पंजाबराव देशमुख कृषि विद्यापीठ, अकोला,
२६. कुलगुरु, महाराष्ट्र पशु आणि मत्स्यविज्ञान विद्यापीठ, नागपूर,
२७. कुलगुरु, महाराष्ट्र आरोग्य विज्ञान विद्यापीठ, नाशिक,
२८. कुलगुरु, इन्स्टिट्यूट ऑफ केमिकल टेक्नॉलॉजी (ICT), मुंबई,
२९. अध्यक्ष, इंडियन मर्चंटस् चेंबर, मुंबई,
३०. अध्यक्ष, कॉन्फिडरेशन ऑफ इंडियन इंडस्ट्री,
३१. संचालक, इंडियन इन्स्टिट्यूट ऑफ सायन्स एज्युकेशन ॲण्ड रिसर्च (IISER), पुणे,
३२. संचालक, इंडियन इन्स्टिट्यूट ऑफ टेक्नॉलॉजी (IIT), मुंबई,
३३. संचालक, विश्वेश्वरय्या नॅशनल इन्स्टिट्यूट ऑफ टेक्नॉलॉजी (VNIT), नागपूर,
३४. संचालक, इंडियन इन्स्टिट्यूट ऑफ़ मॅनेजमेंट (IIM), नागपूर,
३५. संचालक, महाराष्ट्र हायब्रिड सिड्स कंपनी लिमिटेड (MAHYCO), जालना,

३६. श्री.दिनेश बाबुराव सूर्यवंशी, सहाय्यक प्राध्यापक, श्रीमती नरसम्मा हिरय्या एज्युकेशन ट्रस्टचे आर्टस, कॉमर्स व सायन्स महाविद्यालय, किरण नगर, अमरावती,
३७. महालेखापाल (लेखा व अनुज्ञेयता-१), महाराष्ट्र, मुंबई,
३८. महालेखापाल (लेखा व अनुज्ञेयता-२), महाराष्ट्र, नागपूर,
३९. महालेखापाल (लेखा परीक्षा-१), महाराष्ट्र, मुंबई,
४०. महालेखापाल (लेखा परीक्षा-२), महाराष्ट्र, नागपूर,
४१. अधिदान व लेखा अधिकारी, मुंबई,
४२. निवासी लेखा परीक्षा अधिकारी, मुंबई,
४३. सर्व जिल्हा कोषागार अधिकारी.
४४. सर्व विभागीय आयुक्त,
४५. सर्व जिल्हाधिकारी,
४६. सर्व मुख्य कार्यकारी अधिकारी,
४७. संचालक, व्यवसाय शिक्षण व प्रशिक्षण संचालनालय, महाराष्ट्र राज्य, मुंबई.
४८. सहसंचालक, व्यवसाय शिक्षण व प्रशिक्षण, प्रादेशिक कार्यालय, मुंबई/पुणे/नाशिक/औरंगाबाद/अमरावती/नागपूर,
४९. उपसंचालक, विभागीय मुख्यालय, कौशल्य विकास, रोजगार व उद्योजकता, मुंबई/पुणे/नाशिक/औरंगाबाद/अमरावती/नागपूर,
५०. निवड नस्ती.

परिशिष्ट-अ

MAHARASHTRA STATE INNOVATIVE START-UP POLICY 2018

Maharashtra State Innovation Society (MSInS)

Department of Skill Development and Entrepreneurship

Government of Maharashtra

Contents

GLOSSARY

Terms	**Definition**
AVGC	Animation, Visual Effects, Gaming and Comic
CoE	Centre of Excellence
CSR	Corporate Social Responsibility
EdTech	Education Technology
GoM	Government of Maharashtra
IPR	Intellectual Property Rights
MOOCs	Massive Open Online Courses
MSInS	Maharashtra State Innovation Society
PPP	Public Private Partnership
SDED	Skill Development and Entrepreneurship Department
SDKs	Software Development Kits
SPV	Special Purpose Vehicle
TEDC	Technology and Entrepreneurship Development Cell

INTRODUCTION

Maharashtra has been the hub of commercial, financial and industrial activity in India for decades. It is one of the largest state in India, both in terms of area as well as population, and a home to two out of three Indian cities in the top 100 inventive clusters of the world[1]. Mumbai, the capital of Maharashtra and the financial capital of India, is home to major corporate houses and financial institutions, while Pune is a major centre for education and research. Contributing nearly 15% of India's GDP[1], Maharashtra is the most entrepreneurial state in India and has been at the forefront of economic growth.

For sustaining this growth and for creating an economy which is resilient to changes in today's globalized economy, there is a need to promote innovative entrepreneurship. Innovative enterprises will not just contribute to the economic prosperity of the state but also help in addressing the most pressing issues of the nation and generate employment opportunities. With innovation reorienting the economic landscape of the 21st century, it is incumbent upon Governments to foster innovative start-ups by providing necessary infrastructure, connecting communities to enable sharing of ideas, experience and knowledge and mitigate regulatory and other challenges that impede innovation.

With a vision to create an innovation-based economy and develop entrepreneurial spirit across the State, the Skill Development and Entrepreneurship Department (SDED) of Government of Maharashtra (GoM) has formulated the **Maharashtra State Innovative Start-up Policy 2018**. The policy aims to drive economic growth and job creation in the coming years by encouraging entrepreneurs to design novel solutions in new age sectors such as biotechnology, artificial intelligence, internet of things, clean energy etc. as well as revamping traditional sectors.

A holistic approach would be adopted entailing establishing a network of incubators, cultivating entrepreneurial mind-sets among students, connecting relevant stakeholders, simplify the regulatory environment and make strategic investments to foster entrepreneurship across the state.

VISION

To transform Maharashtra by catalyzing the growth of an innovation-driven entrepreneurial ecosystem to achieve wholesome and inclusive socio-economic development

OBJECTIVES

- Provide a platform and nurture the entrepreneurial aspirations amongst the citizens of Maharashtra
- Empower start-ups to contribute significantly to Maharashtra's economic growth and create employment opportunities for all sections of society
- Develop robust infrastructure and ease the regulatory framework to spur the development of the start-up ecosystem

[1] http://thegedi.org/2017-global-entrepreneurship-index, www.globalinnovationindex.org/gii-2017-report

TARGETS

Over a period of five years i.e. 2018 to 2023, the **Maharashtra State Innovative Start-Up Policy 2018 (the "Policy")** sets out to achieve the following:

- Attract angel and seed stage investment of INR 5,000 Cr
- Develop at least 15 incubators in collaboration with industry and academia
- Facilitate incorporation of at least 10,000 start-ups
- Create 500,000 direct and indirect employment opportunities

DEFINITION of Start-Up

An entity will be considered as Start-up:[2]

- If it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in Maharashtra; and
- Up to seven years from the date of its incorporation/ registration; however, in the case of Start-ups in the biotechnology sector, the period shall be up to ten years from the date of its incorporation/registration
- If its turnover for any of the financial years since incorporation/ registration has not exceeded
  INR 25 crores; and
- If it is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.

Provided that such entity is not formed by splitting up, or reconstruction, of a business already in existence. Provided also that an entity shall cease to be a start-up if its turnover for the previous financial years has exceeded INR 25 crore or it has completed 7 years and for biotechnology start-ups 10 years from the date of incorporation/registration.

Along with promoting start-ups across various sectors, GoM lays special emphasis on the start-ups in the social sector[3] which includes but not restricted to education, skill development, health, clean energy, water sanitation and conservation, waste management, agriculture, food security, financial inclusion.

FEATURES

This Policy has comprehended the fact that holistic development of the entire ecosystem is the key to foster start-ups. Need of the hour is to facilitate and make the regulatory environment conducive, provide suitable assistance and connect industry players and mentors with the Start-ups for a vibrant eco-system.

---

[2] Startup India: Action Plan, Government of India

[3] The definition of start-ups which is applicable for biotechnology start-ups will be applicable to the social sector start-ups as well in Maharashtra

It is imperative to nurture innovation and lateral thinking at both school and college level. To ensure that original ideas are developed and is pursued till completion, various initiatives will be taken by the State in terms of conducting events, competitions, setting up of labs etc.

One of the main bottlenecks for a start up to succeed is the availability of adequate infrastructure facilities. The State would work together with industries, industry associations and academic institutions towards creating world-class infrastructure facilities for the start-ups to excel.

With the digital mantra and the 'e' word buzzing across the globe, GoM will develop an online portal and a mobile app for easy access to all the relevant information related to the start-up ecosystem including the list of investors, mentors and various other facilities. This policy will help Maharashtra *L-E-A-P-F-R-O-G* into a premier start-up destination.

- L — Lighten Regulatory Compliance
- E — E-connect the Ecosystem
- A — Augment Infrastructure
- P — Partner with Industry
- F — Funding Start-Ups
- R — Realizing Human Potential
- O — Organize Competitions & Events
- G — Governance

1. Lighten Regulatory Compliance

Long drawn regulatory processes are not only time consuming but also act as one of the biggest hurdles faced by the start-ups. With an intention to let the start-ups focus predominantly on their business ideas, GoM through this policy would support by easing out the regulatory regime and also keep the compliance costs at bare minimum. The State would take all necessary steps to ensure that the regulatory formalities are simplified and are start-up friendly.

To reap the benefits being provided by GoM, Start-ups ought to fulfil the eligibility criteria and should be registered with the GoM. Support will be provided to Start-ups across stages i.e. early/ idea/seed stage, growth stage and mature stage. One possibility is to create an organisation which may allow different start-ups to commence operations as an independent vertical and then to spin off after maturity.

1.1. Self-Certification

The procedure for conducting inspections will be made simpler and will be on the lines of Start-up India: Action Plan. Start-ups shall be permitted to file self-certification in prescribed format for select government compliances. No inspections shall be conducted for a period of seven years. Start-ups will also be able to do the Self-Certification through the mobile app/portal.

1.2. Relaxing of Laws

Local laws shall be looked into with the view of relaxing some norms to allow easy compliances and gradually the State will progress towards relaxing the full-fledged norms. The Maharashtra Shops and Establishment Act shall be relaxed to allow start-ups with asset-light models to incorporate at a residential address.

1.3. Easing Norms for Procurement

There is a growing need to provide a common platform for the experienced entrepreneurs and Start-ups in public procurement. Most of the tenders have a prerequisite of prior experience or prior turnover which encumbers Start-ups from participating. Thus, in order to promote start-ups in Maharashtra, the GoM shall exempt Start-ups (in the manufacturing sector) from the criteria of “prior experience/turnover” without any relaxation in quality standards or technical parameters. The start-ups will also have to demonstrate requisite capability to execute the project as per the requirements and should have their own manufacturing facility in India[2]. A separate Procurement Policy for start-ups may be drafted by GoM for easing norms of procurement.

Various Government departments may also benefit from many innovations in products and services delivery mechanisms. And, thus, an annual get together of various departments and related start-ups may be organised for information exchange as well as opportunities for “proof of concept” for various start-ups.

1.4. Compensation for Stamp Duty & Registration Fees

For recognized incubators or start-ups that wish to rent space/property, 100% of stamp duty and registration fee may be compensated for first three years and 50% for the second tranche of three years. This may also be done through other innovative mechanisms. Aggregation of business spaces provided by private places through a common platform may also be attempted.

1.5. Assistance in Patent Filing

Often start-ups are initiated by young people having very limited or no prior knowledge about various formalities including the Intellectual Property Rights (IPR). To sustain in this competitive world it is essential that they protect their IPRs. With limited manpower and resources, Start-ups are unable to protect their IPRs. GoM will ensure that these start-ups sustain by providing assistance in filing of Patents, Trademarks and Designs. Both technical and financial assistance will be provided to the Start-ups to withstand in this competitive world. Start-ups shall be provided with an 80% rebate in patent filing costs up to INR 2 lakhs for Indian patents and up to INR 10 lakhs for international patents. Compensation will be provided in three stages: during Filing, Prosecution and Award.

1.6. Quality Testing

The GoM may take up 80% of quality testing costs incurred by start-ups at BIS-accredited facilities. This would help start-ups in reducing the costs in their formative years. This may also be done through aggregation of such facility providers and bringing in scales of economy by making a government agency a nodal agency for the same.

1.7. Tax Holiday

Start-ups[4] may be reimbursed in lieu of the State Goods and Services Tax (SGST) paid by them, whenever system credit for the same is not available to the customers of these start-ups.

2. E-connect the Ecosystem

The Start-up ecosystem is comprised of entrepreneurs, mentors, investors, industries, educational institutes, service providers, funding organizations and research organizations. There is a dire need to connect these stakeholders together to ensure there is sufficient flow of information and knowledge sharing. Young aspirants not only need financial assistance but also require technical expertise and learnings from experienced entrepreneurs to succeed in their current venture. A physical or virtual get together place may be created for the same.

2.1. *Leapfrog Maharashtra* Portal

On the lines of the *Start-Up India Hub*, Maharashtra will also set up the *Leapfrog Maharashtra* portal to create a single point of contact for the entire start-up ecosystem and enable knowledge exchange. The *Leapfrog Maharashtra* portal will also function as a single window clearance system for start-ups to obtain clearances and approvals in a time-bound manner. This will enable start-ups to focus on their business rather than getting entangled in the clearance system.

The Maharashtra State Innovation Society (MSInS) will launch an online portal and a mobile app to open a two-way communication channel with the start-up ecosystem and assist start-ups through their lifecycle with specific focus on important aspects like obtaining financing, feasibility testing, business structuring advisory, and enhancement of marketing skills, technology commercialization and management evaluation.

3. Augment Infrastructure

The GoM will assist in providing world-class infrastructure facilities to emerge as one of the premier states in attracting Start-ups to Maharashtra. This section details out various initiatives that will be taken by the State to augment infrastructure for Start-ups, Incubators, Accelerators, Centres of Excellence, and Start-up Parks in Maharashtra.

3.1. Setting up Innovation Clusters

The GoM would leverage the strength bestowed upon various cities across the State and simultaneously build on it. Each State of Maharashtra has its own forte like Mumbai is the financial hub as well as a leader in AVGC segment. Pune has its strength in Auto & Electronics industry as well as Hardware products, Aurangabad has attracted leading manufacturing industries. Thus, based on existing and potential regional economic advantages, urban local bodies and the local industries will work together to nurture sector-specific start-ups and establish major urban/rural areas as innovation clusters.

[4] As defined in the policy

3.2. World Class Incubators through Collaborations

The GoM shall support development of incubators on a Private, Public or Public-Private Partnership (PPP) mode in collaboration with higher educational institutions, R&D institutions, and the corporate sector. The GoM will collaborate with both national and international accelerators and incubators to develop world-class facilities and enable co-creation/ collaboration programs to learn from such ecosystems. This is critical for holistic growth of emerging start-ups. The incubators will be required to be incorporated as a Special Purpose Vehicle (SPV), either a Section 8 company or a private limited company registered under the Companies Act, 2013. The SPVs will not be allowed to incorporate as trusts or societies.

The GoM will not only focus on technology/manufacturing start-ups but also support social sector start-ups to promote and encourage solutions to solve the social issues within the State. Peer and joint learning is very critical for people working on individual/entrepreneurship centric models. Hence, the State envisages to merge social and sector-specific start-ups within the Incubators rather than creating separate incubators for social start-ups.

3.2.1. Academic

Universities/Colleges/Polytechnics/ITIs with a demonstrated history of innovation on campus will be identified and business incubators will be established within their premises. These incubators will have an independent board to oversee its functioning and existing incubators at premier academic institutions will mentor the upcoming facilities.

3.2.2. Research

Three cluster-specific Centres of Excellence (CoEs) will be established in premier research institutions in the state. State would build partnerships at the global level to ensure that these CoEs not only provide world-class infrastructure facilities but also world-class services and guidance to the start-ups at various stages of growth. Each CoE will be connected to an academic/private incubator. An Entrepreneur-in-Residence program will be instituted to allow innovators from outside the institution to commercialize existing IP or build their own products. Guidance would be provided by experts from relevant industrial establishments both from India and Abroad.

3.2.3. Private

The State will provide support to leading corporates, industries and industry associations to establish incubation facilities specializing in their domain. Private firms will be encouraged to establish sector agnostic co-working spaces. Whenever any government department or a government agency allocates any land for any industry or provide extra FSI over and above of base FSI on the land owned by any industry, it should be mandated that the industry shall promote and mentor the start-ups and also undertake minimum 10% product or service procurement from these start-ups.

3.2.4. Rural & Social

The State will play a facilitative role between entrepreneurs and innovators especially in the social enterprise space. This is crucial because innovators invest on improving the kind of product/service that should reach market but entrepreneurs take these innovations as products to the market. To ensure that the rural and social sector start-ups focus on their

business ideas, the State will provide scholarships to select promising social and rural start-ups by providing rental rebates of up to 50% at incubators/co-working spaces.

3.2.5. Virtual

In today's dynamic world facilitating only physical incubators is not sufficient. Digitization is the mantra being followed by the State, to ensure that the initiatives scale-up in a seamless manner. For certain industries, physical space and physical anchoring is important, whereas for others, financial support and advice is far more important and hence the need for virtual incubators. This policy lays equal emphasis on both physical as well as virtual incubators. Virtual incubators helps every founder learn at a different pace depending on the idea.

The GoM will set up the *Maharashtra Virtual Incubator* to provide value-added services including legal, financial, IP, cloud and mentorship to start-ups across Maharashtra. All Government-supported incubators are expected to have a virtual presence to incubate start-ups outside their geographies. This will also act as aggregator for service providers like net cloud services, co-working space providers, IT parks etc.

A portal wherein standard resources required for start-ups, in terms of server databases, memory space, SDKs, various licensed software's of management, accounting, HR etc. may be made available. This may lead to effective subsidy in land and as per scale needed. An attempt to collate all resources, including aggregation of physical resources through means of scheduling and sharing, may be undertaken in form of Maharashtra Virtual Incubator Center platform.

3.3. Accelerators

The Government of Maharashtra will provide infrastructure for the establishment of three world-class accelerators to expedite the launch of a start-up's products and/or services.

3.4. Scalerators

The GoM will provide infrastructure for the establishment of scalerators which would provide a platform for the start-ups to speed-up, scale-up and sustain their business.

3.5. Tinkering Labs

Nurturing the talent at school level is crucial for the holistic development of the start-up ecosystem. Young minds have pool of ideas, but what is lacking is a mechanism to develop the ideas into a model. The State will set up *Tinkering Labs* in schools as per Government of India guidelines, to create an environment that would facilitate idea generation for enterprise development. Tinkering labs in schools will be connected to incubators to provide mentorship and host of other facilities to students in schools.

3.6. Start-Up Park

A multi-facility *Start-Up Park* will be established to bring incubators, accelerators, investors, mentors and industry representatives/stakeholders under one roof. Commercial space in IT parks would be opened up for start-ups, incubators, accelerators and co-working spaces to set up their facilities. Start-up villages, which stands up for larger areas of co-working spaces, incubators etc. shall be established in places like Nashik, Aurangabad, Amravati, Kolhapur, Solapur etc.

3.7. Facilities and Services

Services of management and administrative experts will be provided to the Start-ups through accelerators/incubators/CoEs/Start-up Parks. This will help start-ups avoid mistakes, function efficiently, and reduce the risk of failure. Following facilities and services will be provided, though not limited to:

- Private cabins/Plug and Play facilitiy
- Co-working stations
- Conference rooms
- Design studios
- Fabrication facilities
- Legal, financial, IP services
- Mentorship
- Marketing support
- Pitch days
- Networking events
- Training workshops
- 24 x 7 WiFi
- 24x7 Power back-up

The GoM will create a mechanism to open up existing common infrastructure and facilities like conference rooms, laboratories, maker spaces, workshops etc. in partner incubators and academic institutes for start-ups to utilize them at affordable costs.

4. Partner with Industry

State will play a crucial role in fostering strong linkages between the start-ups and well renowned industry players across the world. The GoM will collaborate with national and international industries to devise market exchange programmes that will help promising start-ups expand into international markets.

4.1. Industry

The State will foster national and international collaborations between the start-up ecosystem and the industrial set-up of the State. Large industrial corporations and associations will be encouraged to mentor, support, or incubate start-ups in their domain. Established industries both at the national and international level shall be involved in tie-ups with the state's several vocational training and skill development institutes to inculcate skills required by the start-ups.

An attempt shall be made to facilitate recognition of needs of industries and allowing them to proactively engage themselves in fostering of start-ups fulfilling their needs. Platforms, physical as well as virtual, shall be established, wherein, industries may interact with start-ups in their sectors of interest and collaborate.

4.2. Investors

In association with leading financial angel investor networks, such as angel investor, venture capital network, the State will organize experiential learning workshops to guide aspiring investors and other high net-worth individuals on investing in start-ups. Investors will have verified profiles/accounts on the *Leapfrog Maharashtra* portal to allow identification by start-ups. Platforms, physical as well as virtual shall be promoted for effective and regular interactions between investors and start-ups.

5. Funding Start-Ups

To ensure seamless and uninterrupted growth of start-ups, adequate funding support will be provided to the start-ups across stages i.e. early/seed stage, growth stage and mature stage to ensure holistic growth of the entire ecosystem. Start-ups that would qualify for the eligibility conditions in Maharashtra and who are registered at the portal will be entitled to receive grants and financial assistance. The State envisages to develop a self-sustaining financial model for the start-ups in Maharashtra.

5.1. Fund-of-Funds

A fund-of-funds will be established with an initial corpus of ₹100 Crore and a total corpus of ₹500 Crore over a period of four years. Investments will be made in SEBI-registered funds including early stage i.e. angel and seed funds. A professional investment management team will be recruited for this purpose. Certain risks of primary funds may be hedged using this fund of funds to cover the cost of funds for concerned start-ups.

5.2. Infrastructure Fund

The State will institute an Infrastructure Fund to provide assistance to academic incubators, CoEs, and tinkering labs to cover capital and operational expenditures in the establishment and/or expansion of facilities. Special infrastructure like cloud, internet etc. may be made available through various service providers.

5.3. Crowdfunding

Social entrepreneurs comes with a very different set of problems and hence, the cost for bringing their product/service into market/doorstep is very high as compared with commercial enterprises. The social enterprises in India require a huge amount of long-term capital and have long gestation period. The State will provide vital financial support to the Social sector start-ups[4]. They may receive grants matching the contributions raised on verified online crowdfunding platforms, up to INR 5 lakhs. The number of individual donors must exceed 100.

5.4. Corporate Social Responsibility

The State will encourage private and public corporations to utilize CSR funds towards supporting academic incubators/accelerators/CoEs/Start-up parks.

5.5. Alternative Investment Mechanism

An alternative investment mechanism would be established in Maharashtra which would allow start-ups to float their shares in more flexible ways that may enable investments in various modes, scales and lock-in periods. This would increase the base of possible investors in start-ups to whole of society at lower scales and would attract investors from across the world at higher scales.

6. Realizing Human Potential

A multi-disciplinary approach will be adopted by the State to equip students at school and college level as well as the faculty members with the right set of skills to help them chase their

dream. The State will focus on creating an environment that would facilitate idea generation for enterprise development.

6.1. Role Models

In conjunction with start-up centric news media, success stories of rising entrepreneurs in Maharashtra will be published through various channels of communication. Branding and publicity will be the crux for the State to reach out to the masses and ignite the fire of entrepreneurship.

6.2. Inculcate Entrepreneurial Skills in Schools

The Government will conduct workshops to inculcate entrepreneurial skills i.e. risk taking, critical thinking, digital literacy etc. at school-level in association with organizations that specialize in this field. Students that participate in innovative activities will be recognized. Along the lines of *Atal Tinkering Labs*, start-up kits will be distributed to schools in order to orient school students towards innovation.

6.3. Incentives to Students at Colleges/Universities

To encourage and allow student entrepreneurs to work full-time on their ventures during their program all public colleges/universities will introduce the concept of “gap year”. All public colleges/universities will allow student entrepreneurs to be eligible for campus placements for up to two years after their graduation. All public colleges/universities will accept students to undertake massive open online courses (MOOCs) towards the fulfillment of college course credits. Colleges/universities can independently collaborate with online education platforms to design courses. All colleges/universities shall offer an option of undertaking a Minor in courses related to Entrepreneurship, Innovation, and Creativity Development along with their primary course degree which will be designed in conjunction with top academic institutions and industry veterans. These courses will be periodically updated to keep the curriculum up to date and in line with international standards.

6.4. Faculty Enhancement

The State also emphasizes on the need to nurture the faculty members across colleges and universities. Universities shall nominate one (if any) interested faculty member to promote culture of innovation on campus. Premier education institutions with a demonstrated culture of innovation will mentor the nominated faculty members. In order to incentivize university faculty to encourage start-ups, they will be allowed to hold an equity stake in a start-up co-founded or mentored by them.

6.5. Set-up Technology and Entrepreneurship Development Cells

Technology and Entrepreneurship Development Cell (TEDC) will be established within the universities/colleges to enable students to undertake innovative projects and entrepreneurial activities. The university/college would nominate a faculty to manage the TEDC, which would be a precursor to a business incubator. Under the TEDC, student-driven technology clubs will be instituted. The Government, especially district authorities, will engage with such student clubs on projects related to its own technology requirements.

6.6. Community Builders

In association with leading incubators and co-working spaces, the State will organize workshops for students and/or professionals who are interested in becoming incubation facility managers. The State will also have its presence on online community platforms to engage with the start-up ecosystem.

6.7. Online Education

The State will partner with recognized online education ("EdTech") platforms to establish a scholarship program to enable university students and working professionals to undertake verified certificate programs in up-coming areas such as blockchain, machine learning, artificial intelligence, data analytics and digital marketing. Selection of candidates will be the responsibility of the EdTech platforms.

6.8. Mentors

The State will ensure that the mentorship and professional advice is more accessible by partnering with mentor networks and industry associations across the globe to institute a mentorship program to provide guidance to start-ups across Maharashtra. The NRI alumni of India would also be engaged as mentors and in the generation of innovative ideas and inputs. They will be able to register themselves at the *Leapfrog Maharashtra* portal to facilitate structured interactions.

7. Organize Competitions & Events

Various events and competitions will be organized in State to stimulate and provide national and international exposure to the start-up ecosystem.

7.1. Business Plan Competitions

City-, District- and State-level competitions will be organized inviting school and college students to propose innovative business ideas to address issues faced by local communities and society-at-large. The best ideas shall be felicitated.

7.2. Grand Challenges

Grand Challenges will be organized by designing problem statements around the state's most pressing issues. Innovators from across India will be invited to submit proposals. The top 25 teams will receive access to Government funding, personnel and data to prototype and/or pilot their concept in Maharashtra over a period of 6 to 12 months. The winner will be chosen from amongst the top 25 teams.

7.3. Start-Up Symposia

The Government will organize a **two-day** Start-Up Symposium, which would bring together innovators, incubators, investors, industry associations and academic institutions from across India and beyond. The event will rotate between major cities of Maharashtra, in order to engage and encourage the start-up communities in these geographies.

7.4. Get Together of New Ideas

Get together of sector-wise industry player, government departments, academia and start-ups shall be organised periodically. This get together shall be for exposure, learning, discussions, mentoring as well as to throw up opportunities of "proof of concept" orders.

7.5. Start-Up Week

Start-up week will be celebrated during the entire 1st week of every calendar year. Start-ups will be invited through an expression of interest in selected sectors for "proof of concept opportunity". Panel to evaluate the pitch/idea would include government officials, renowned industry players, investors and bankers. Three start-ups from each selected sector will be selected and awarded a work order of amount of INR 10-15 lakhs to prove their concept. It is expected that MSInS may provide proof of concept opportunity to about 15 to 20 start-ups every year through the start-up week.

7.6. Solicit Innovative Ideas

Periodically, Government officials at all levels and of every department would be encouraged to provide innovative ideas/solutions to MSInS. A panel comprising industry, investors and bankers would evaluate their ideas. Top three ideas will be rewarded with a certificate and a cash prize. However, cash prizes will be given only when the Government department implements those ideas.

8. Governance

Maharashtra State Innovation Society (MSInS) has been established under Department of Skill Development and Entrepreneurship, Government of Maharashtra with an aim to foster innovative approaches and solutions to contribute towards minimization of the economic divides in the State. The society would act as nodal agency to boost innovation driven performance and efficiency in every sector. The main objective of the Society is to provide Innovation Promotion Platform to academics, entrepreneurs, researchers and Government drawing upon national and international experiences to foster a culture of innovation in the State.

The MSInS will be the state level nodal agency for implementing, monitoring and evaluation of this policy. The MSInS will monitor and evaluate the policy annually, and bring in amendments to the policy, if necessary, to be relevant to the changing needs of the start-up ecosystem.

***